



GOP PLAN COULD CUT UP TO \$167.1 BILLION FROM HEALTH CARE, NURSING HOME BENEFITS FOR CALIFORNIA RESIDENTS



DEMOCRATIC POLICY & COMMUNICATIONS CENTER | 202.224.2939 | DPCC.SENATE.GOV
CHAIRMAN SENATOR CHARLES SCHUMER | VICE-CHAIRWOMAN SENATOR DEBBIE STABENOW

The new Republican budget reflects upside-down priorities – it would shower the wealthiest few Americans with an average tax cut of at least \$150,000 – paying for it by ending Medicare as we know it, taking away the benefits Americans enjoy as a result of health reform, and putting more of the burden on middle class families. Their plan to block grant and cut \$1.7 trillion in health care services through Medicaid would put an end to vital services that seniors depend on like nursing home care and home health aides. If Republicans get their way, California residents would lose \$167.1 billion in health benefits, including \$33.4 billion for seniors, and 5,237,000 residents could see their coverage cut entirely.

Republican Budget Could Force As Many As 5,237,000 California Residents Off Medicaid. Medicaid currently provides health coverage to roughly 7,157,300 California residents, with the federal government picking up 50.00% of California's Medicaid costs. At a minimum, the Ryan Plan could remove as many as 5,237,000 California residents from the program. [CBPP, 3/20/12; Kaiser Commission on Medicaid, 2/2011; KFF, accessed on 3/21/12; KFF, 5/11]

Republican Budget Cuts \$33.4 billion in Health Care for California Seniors By Slashing Medicaid. The House Republican budget could slash \$33.4 billion in nursing home care and other health care services for seniors and the disabled. In California, over 1,842,700 seniors and disabled currently rely on Medicaid for their health care needs. While Medicare doesn't cover long-term care, 33.00% of Medicaid spending in California provides this critical care for seniors, and is often the only avenue they have to get the care they need. The cost of long-term care can be financially devastating to seniors and their families, with nursing home costs averaging \$109,865 in California for a private room – and that average is rising every year. These cuts could have a devastating impact on the 1,229 California certified nursing homes, which serve 101,854 seniors, with more than half relying on Medicaid as their primary payer. As a result, nursing homes would be forced to slash services, turn away seniors, or close their doors. [Kaiser Commission on Medicaid, 2/11; KFF, accessed on 3/21/12; MetLife, 10/11; KFF, accessed on 3/21/12; KFF, accessed on 3/21/12; KFF, accessed on 3/21/12]

Republican Budget Would Shift Costs to State Taxpayers, Slashing Health Benefits in California By Up to \$167.1 billion When the State Already Faces a Budget Crisis. The House Republican budget could slash \$167.1 billion in health benefits from California over the next ten years, including \$77.7 billion in federal investments and \$89.4 billion to expand eligibility in the state. California is already facing a \$23.0 billion budget shortfall in Fiscal Year 2012, and the cuts could force the state to either ration health care benefits for 1,842,700 California seniors and disabled, restrict eligibility rules and leave thousands uninsured, raise taxes to cover the shortfall, or cut payment rates to healthcare providers, possibly forcing some of the 1,229 certified nursing homes to close their doors. [KFF, accessed on 3/21/12; CBPP, 3/21/12; KFF, 5/11; KFF accessed on 3/27/12]



California Would Receive Far Less Federal Investment Than Other States Under Republican Block Grant Plan. California Medicaid expenditure levels are relatively low (\$3,364 per enrollee) compared to the US average (\$5,337 per enrollee). Because the block grant funding levels are based on current state Medicaid spending, California would receive less block grant funding than other states. [KFF, accessed on 3/21/12]

